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CHARLES ELMORE

IN THE

Supreme Court of the United States

OCTOBER TERM, 1950.

No. 428

SUNBEAM CORPORATION,

Petitioner,

vs.

SUNBEAM LIGHTING CO., A CO-PARTNERSHIP CONSISTING OF MARCUS BODIAN, HERBERT L. KRIEGER AND PHIL R. FRIEDMAN,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT.

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Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT.

To the Honorable, the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Your petitioner, Sunbeam Corporation, plaintiff in the District Court, appellee below, respectfully prays that a writ of certiorari issue to the United States Court of Appeals for the Ninth Circuit to review a judgment of that Court entered on June 30, 1950, as amended by Order of September 6, 1950.

OPINIONS BELOW.

The judgment here sought to be reviewed reversed in part, affirmed in part and remanded a judgment of the United States District Court for the Southern District of California, Central Division.

The opinion of the Court of Appeals, reported in 183 F. (2d) 969, appears at page 956, Vol. IV of the record. The opinion of the District Court, reported in 83 F. Supp. 429, appears at page 34, Vol. I of the record.

JURISDICTION.

The judgment of the Court of Appeals was entered on June 30, 1950 (R. 956), and was amended by Order of September 6, 1950 (R. 968). A petition for rehearing *in banc,* filed on July 26, 1950 (R. 968), was denied on September 6, 1950 (R. 969). The jurisdiction of this Court is invoked under 28 U. S. C. Section 1254 and 15 U. S. C. Section 1122.

QUESTION PRESENTED.

Whether admittedly valid federally registered trademarks which are uninvented or uncoined words and which have acquired secondary meaning will be protected against subsequent use by others on related but different goods, although actual confusion and likelihood of future confusion as to source is found to exist.

STATUTE INVOLVED.

"Any person who shall, in commerce, (a) use, without the consent of the registrant, any reproduction, counterfeit, copy, or colorable imitation of any registered mark in connection with the sale, offering for sale, or advertising of any goods or services on or in connection with which such use is likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods or services * * * shall be liable to a civil action by the registrant for any or all of the remedies hereinafter provided * * *." (Trade Mark Act of 1946, 15 U. S. C. 1051-1127, 1114 (Sec. 32(1).)"

STATEMENT OF THE CASE.

Petitioner is a manufacturer of various electrical goods ranging from household appliances to sheep shearing equipment. Since 1921 petitioner has applied to its products its federally registered trade-mark SUNBEAM and has sold such electrical products under this trade-mark throughout the United States and in many foreign countries.

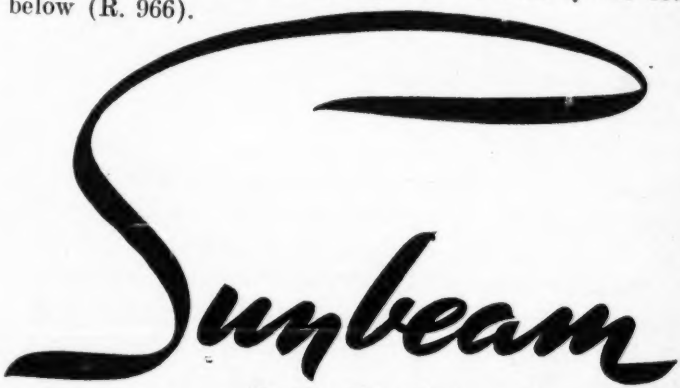
Respondents are a co-partnership formed in 1944 in Los Angeles, California, under the firm name "Krieger and Bodian," subsequently changed to "Sunbeam Lighting Co." Their business is the manufacture and sale of various fluorescent lighting appliances, among which are desk lamps, bed lamps, and overhead fixtures, all sold under the trade-mark SUNBEAM.

Sunbeam Corporation, petitioner, filed an action against respondents in the United States District Court for the Southern District of California, Central Division for trade-mark infringement and for unfair competition

(R. 8). The District Court, after full trial, and in view of petitioner's proof of actual and likely confusion, granted judgment for plaintiff and enjoined defendant's use of SUNBEAM as a trade-mark for their lamps and lighting fixtures and as a part of their trade-name or business style (R. 81).

Respondents moved for and were denied a new trial (R. 83), and an appeal was taken. The Court of Appeals substantially reversed the lower court and remanded the case with instructions that respondents were to be enjoined merely from using petitioner's federally registered trade-mark SUNBEAM in a script resembling or suggestive of the script traditionally used by petitioner and from using SUNLITE MASTER and MASTER in association with the word SUNBEAM.[1] Otherwise, respondents were left free to continue to make any identifying trade-mark or trade-name use of SUNBEAM in connection with their electrical goods as they might choose.

This and similar script usage was denied by the court below (R. 966).

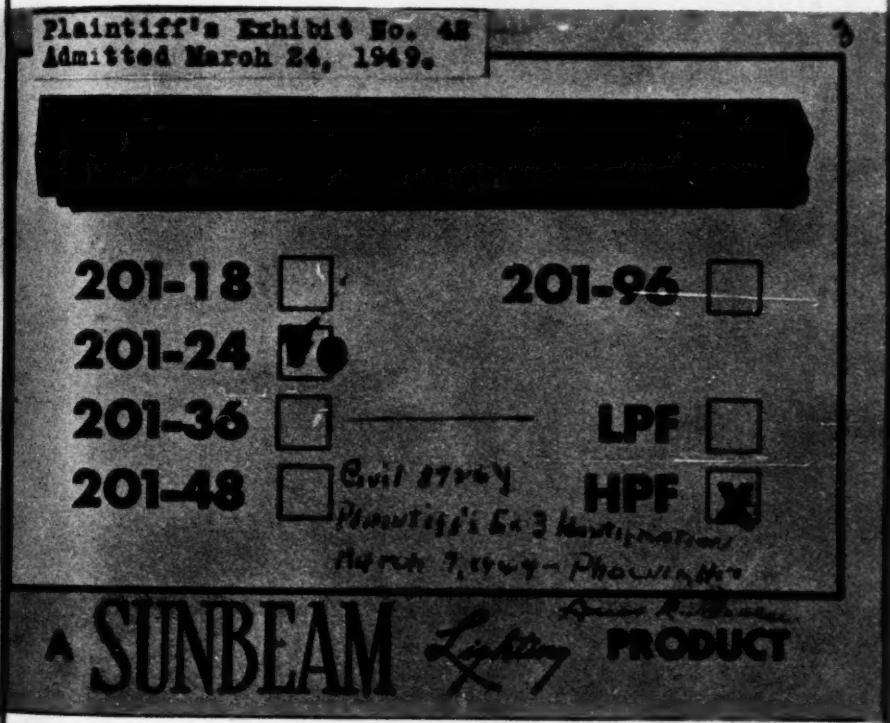


(R. 821, Vol. III.)

(1) They had made some previous use of SUNBEAM LIGHT-MASTER and SUNBEAM LITE-MASTER, not of SUNLITE MASTER (R. 835, 937). Petitioner uses, in addition to SUNBEAM, such trade marks as MIXMASTER, IRONMASTER, COFFEEMASETR and SHAVEMASTER (R. 638).

But usages such as these were approved (R. 966):

(R. 942, Vol. III.)



(R. 798, Vol. III.)

Petitioner sought a rehearing *in banc* which was denied. An amending order was entered clarifying some of the language in the opinion (R. 968), but leaving it unaltered in substance.

The Court of Appeals held that the case was not solved by the trial court's finding that respondent's use of petitioner's valid registered trade-mark results in confusion and likelihood of confusion (R. 959). It held that should such confusion result with respect to different goods by the use of an uninvented word which had acquired a meritorious secondary meaning, then the registrant and prior user must "suffer the price of virtue" (R. 962). The rights of the public were not mentioned in the opinion.

SPECIFICATION OF ERRORS TO BE URGED.

The Court of Appeals erred:

1. In holding, contrary to the specific directives of the Federal Trade-Mark Act, that injunctive relief will be denied despite the finding that respondent's use of petitioner's federally registered trade-mark SUNBEAM results in confusion and likelihood of confusion.

2. In requiring that petitioner and the public suffer as a "price of virtue" the confusion resulting from respondent's use of petitioner's registered and meritoriously known, but "uninvented" trade-mark SUNBEAM.

3. In neglecting its duty to protect the public from confusion, deception and mistake as to the source of respondent's goods.

4. In overruling the settled common law of California which grants injunctive relief against the unfair competition that exists when likelihood of confusion and actual confusion is shown to arise from a late-comer's use of the mark of a prior trader which has acquired secondary meaning or distinctiveness.

5. In applying as a test for infringement the likelihood of confusion of goods rather than that of source as prescribed by the federal trade-mark statute and the common law.

6. In disregarding the ultimate findings of the trial court of confusion and the likelihood of future confusion, as to the source of respondent's goods, and in ignoring the evidence upon which they were based.

7. In reversing the trial court's ultimate findings of fact as to respondent's use of petitioner's federally registered trade-mark and in disregarding the evidence upon which the trial court's decree was based.

8. In condoning respondent's clear intent to defraud which was found and condemned by the trial court.

9. In confusing the law of trade-marks with the monopolistic law of patents or copyrights.

10. In impliedly granting a monopoly for the invention of new and unique trade-marks.

REASONS FOR GRANTING THE WRIT.

Clearly, the court below has held that trade-mark use which is confusing to the public will not be enjoined—that the prior user (and the public) must suffer confusion as a "price of virtue," because the prior user's trade-mark, although valid, registered, non-descriptive, and having acquired unquestioned distinctiveness, is uncoined. Thus the lower court has made a trade-mark and unfair competition case a contest of originality. Such is germane only to patent and copyright cases.[2] The fundamental principle in trade-mark and unfair competition actions, under both common and statutory law, is not originality but likelihood of confusion, and that only.

I.

Conflict with the statute.

The decision conflicts with the specific directive of the recently enacted Federal trade-mark statute (*supra*, p. 3) which requires, without limitation, that the use of another's federally registered trade-mark, likely to result in confusion as to source of goods, shall be enjoined.[3] In

(2) Although no copyrights whatsoever were involved in the case, it is significant that the court below stated (R. 960):

"The plaintiff *copyrighted* the word in several modifications of script though each bears similarity to every other. The evidence indicates that the script used by defendants was used later than the *copyrights* and use by plaintiff." (Emphasis ours.)

(3) "* * * the case is not solved, by the simple finding as to whether defendants' use of the word 'Sunbeam' results in confusion and likelihood of confusion." (Opinion, R. 959.)

effect, the decision makes an exception to the precise and unambiguous language of the statute as though it read:

> If a federally registered trade-mark, admittedly valid, is an uninvented word used by others, the injunctive relief prescribed in the statute will not lie against the subsequent user on different yet related goods even though actual confusion and the likelihood of future confusion appears.

The above exception, read into the statute by the Court of Appeals, reveals conflict with the pronouncements of this Court, conflict between the circuits, and conflict with the clear intent of Congress.[4] Broad public interest is here involved, since the decision truncates the rights appurtenant to innumerable similar trade-marks, the values of which are inestimable.

All trade-marks which are uninvented or uncoined words such as:

Carnation	Royal
Greyhound	Diamond
Ivory	Cameo
Life	Admiral
Champion	Mercury
Paramount	Swan
Monarch	Zenith

are directly and adversely affected.

Each of the above is an uninvented "non-fanciful word popular with commercial concerns" (Opin., R. 962). Each is a federally registered trade-mark entitled to the protection of the statute. Whether the likelihood of confusion test, the prescribed measure for their protection, is to be subjected to the exception read into the Act by the court below is the immensely important commercial question of

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(4) U. S. Code Cong. Serv., 79th Cong. 2d Sess. 1275 (1946).

federal law which has not been, but which petitioner believes should be, decided by this court.

No decision on the new Trade-Mark Act, popularly known as the Lanham Act, has been rendered by this Court since the legislation became effective on July 6, 1947. Indeed, it has rendered no trade-mark decision on the merits since 1938 when certiorari was granted in *Armstrong Paint & Varnish Works* v. *Nu-Enamel Corp.*, 305 U. S. 315, for the purpose of construing the Trade-Mark Act of 1920.[5]

During the intervening years the case law on what constitutes statutory trade-mark infringement has become almost chaotic. At the behest of business men and lawyers practicing in the field, Congress rewrote the statute, and its passage was hailed as a long-needed clarification of the rights and liabilities of trade-mark owners. Yet the subsequent decisions have revealed even broader contradiction than existed previously.[6]

Our free, competitive, national-market economy cannot operate without the means for individual trade identity. Trade-marks have been chosen to perform this function. Are they to be protected according to the express provisions of the Federal Statute, or subjected instead to such exceptions as may appeal to the various courts?

A most straightforward discussion of this problem is found in the dissenting opinion of Judge Charles E. Clark in the recent case of *S. C. Johnson & Son, Inc.* v. *Johnson Products Company*, 175 F. (2d) 176 (C. A. 2, 1949) (Certi-

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(5) This Court's decision in *Mishawaka Rubber and Woolen Manufacturing Co.* v. *S. S. Kresge Co.*, 316 U. S. 203 (1942), was confined to a question of damages, and in *Champion Spark Plug Co.* v. *Sanders et al.*, 331 U. S. 125 (1947), to a question of marking second-hand goods.

(6) See Lunsford, "Trade-Mark Infringement and Confusion of Source: Need for Supreme Court Action," 35 Va. L. Rev. 214, 1949. Also: Callmann, "The *Sunkist* Decision: Trade-Marks at the Crossroads," 38 T. M. Rep. 304, 308.

orari denied 338 U. S. 860). Although the case involved the use of surnames, and the facts differed largely from the present facts, the decision of the majority was likewise bottomed on violence to the meaning of the words of the remedial section of the statute in that relief was denied even though likelihood of confusion might exist. Judge Clark's dissent shows that he was "troubled by the fact that the Act is rather clearly the expression of contrary views" (p. 180). He states at page 181:[7]

> "The question seems to me, therefore, a vastly important one as to the relations of court and legislature; and I am indeed sorry that it is left with only a statement of the court's policy view as full justification for the narrowing interpretation. * * * As it stands, it must be assumed that the new legislation affords no relief, though all the allegations of the plaintiff be accepted in full. * * * As is pointed out, the Lanham Act certainly made extensive and far-reaching changes in the law of trade-marks as a whole, some of which are cited. In this particular connection it substituted for the definitely restrictive language of the older Act limiting infringing sales to those of goods which were 'substantially of the same descriptive properties as those set forth in such registration' a broad recovery for a use 'likely to cause confusion or mistake or to deceive purchasers as to the source or origin of such goods or services.' 15 U. S. C. A., Section 1114 (1). These broadening provisions, twice stated in this subsection, seem quite consistently carried out through the act."

Likewise in the case of the *LaTouraine Coffee Co., Inc.* v. *Lorraine Coffee Company, Inc. et al.*, 157 F. 2d 115 (C. A. 2, 1946), Judge Clark, writing the majority opinion, stated at page 118:

> "Be that as it may, Congress has shown its continued interest in trade-mark protection by the com-

(7) Virtually the entire dissent, and its footnote documentation, are so pointedly appropriate here that it is included as Appendix "A" to this petition.

prehensive new codification of trade-mark law embodied in the Trade Mark Act of July 5, 1946, which not merely amplified the Act of 1905, 15 U. S. C. A. Sec. 81, *et seq.*, but gave to this property right a legislative standing it had not had before. Derenberg, Trade-Marks Ante Portas, 52 Yale L. J. 829, 830. We should hesitate to go against so clearly expressed a legislative intent for only some remote fears of our own of social disaster to result from grant of the statutory protection. The new statute affords relief for a 'colorable imitation' where use is 'likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods,' Sec. 32(1)(a), Act of July 5, 1946."

II.

Conflict with the decisions of this Court, the other Courts of Appeals, the Supreme Court of California, and conflict within the Ninth Circuit.

1. The holding that a finding of likelihood of confusion does not solve the case[8] conflicts with the rule that likelihood of confusion is the ultimate test in trade-mark and unfair competition cases, and that any usage which results in such likelihood should be enjoined. The rule is expressed in the following representative decisions:

The United States Supreme Court:

Thaddeus Davids Co. v. *Davids Mfg. Co.*, 233 U. S. 461, 470 (1913):

"In the case, therefore, of marks consisting of names or terms having a double significance, and being susceptible of legitimate uses with respect to their primary sense, the reproduction, copy or imitation

(8) "* * * the case is not solved, by the simple finding as to whether defendants' use of the word 'Sunbeam' results in confusion and likelihood of confusion." (Opin., R. 959.)

which constitutes infringement must be such as is calculated to mislead the public with respect to the origin or ownership of the goods and thus to invade the right of the registrant to the use of the name or term as a designation of his merchandise."

McLean v. *Fleming*, 96 U. S. 245, 251 (1877).

The Courts of Appeals:

Speed Products Co., Inc. v. *Tinnerman Products, Inc.*, 179 F. (2d) 778, 781 (C. A. 2, 1949):

"We have said, however, that 'the test of trade-mark infringement differs little, if any, from the test of unfair competition,' and have phrased the test of unfair competition as 'whether the public is likely to be deceived.' *Best & Co.* v. *Miller*, 2 Cir., 167 F. 2d 374, 376, 377, certiorari denied 335 U. S. 818, 69 S. Ct. 39."

La Touraine Coffee Co., Inc. v. *Lorraine Coffee Co. Inc. et al.*, 157 F. (2d) 115, 119 (C. C. A. 2, 1946).

Triangle Publications, Inc. v. *Rohrlich et al.*, 167 F. (2d) 969, 972 (C. C. A. 2, 1948).

Radio Shack Corporation v. *Radio Shack, Inc.*, 180 F. (2d) 200, 206 (C. A. 7, 1950).

General Finance Loan Co. et al. v. *General Loan Co.*, 163 F. (2d) 709, 712 (C. C. A. 8, 1947).

The Supreme Court of California:

Weinstock, Lubin & Co. v. *Marks*, 109 Cal. 529, 540, 42 P. 142, 145 (1895).

Academy of Motion Picture Arts & Sciences v. *Benson*, 15 Cal. (2d) 685, 689, 104 P. (2d) 650, 652 (1940).

The Court of Appeals of the Ninth Circuit.[9]

Safeway Stores, Inc. v. *Dunnell*, 172 F. (2d) 649, 655 (C. A. 9, 1949).[10]

Stork Restaurant Inc. v. *Sahati et al.*, 166 F. (2d) 348, 356 (C. C. A. 9, 1948).

2. As to the protection to be accorded uninvented trademarks which have acquired a meritorious distinctiveness, and which are used on related but different goods, the Court below stated:

> *"There is no evidence that either party to the action is in competition in the market * * *. If plaintiff's goods are so good that the mere mention of their trade name or mark would be sufficient for a reasonable person to select an article bearing it, no matter how unrelated plaintiff's goods are to the article, then, as it seems to us, plaintiff must suffer the price of virtue. If, in course of our free enterprise, someone would market an unworthy article outside plaintiff's field bearing the name Sunbeam it must be borne as not an unlikely circumstance following plaintiff's selection of a non-fanciful word popular with commercial concerns"* (Opinion, p. 972, R. 962).

This rule ignores the protection of the public who must also pay "the price of virtue", and conflicts with the law as stated in the following decisions holding that an ordinary word which has acquired a secondary meaning will

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(9) Concerning intra-circuit conflict as a basis for granting certiorari, see: *John Hancock Ins. Co.* v. *Bartels*, 308 U. S. 180, 181, (1939); *Dickinson* v. *Petroleum Conversion Corp.*, 338 U. S. 507, 508 (1950).

(10) The recent *Safeway* case, which petitioner believes to be in direct conflict, was conspicuous by its absence from the opinion below. It was decided by a different panel of the court. Chief Judge Denman tersely stated, with respect to the protection of the mark *Safeway*, at page 656:

> "Even assuming the absence of any competition of toilet tissues and Dunnell's covers for protection of toilet users, Stores is entitled to its injunction."

be protected against confusing use even though on non-competitive goods:

The United States Supreme Court:

Twenty-three years ago this Court granted certiorari in the case of *Beech-Nut Packing Company* v. *P. Lorillard Company,* 273 U. S. 625 (1927), to decide whether the protection of marks such as *Beech-Nut* extends to use on other related goods. After consideration, it was found that the facts did not present the question. This Court has never decided it. The present conflict demonstrates the need for such decision.[11]

The Courts of Appeals:

Triangle Publications, Inc. v. *Rohrlich et al.,* 167 F. (2d) 969, 972 (C. C. A. 2, 1948):

"It is settled law that a plaintiff who has established a right to a trade name which is fanciful or arbitrary or has acquired a secondary meaning is entitled to protection of his reputation against the use of that name by others even upon non-competing goods, if the defendant's goods are likely to be thought to originate with the plaintiff."

Rothman, et al. v. *Greyhound Corporation, et al.,* 175 F. (2d) 893, 895 (C. A. 4, 1949), affirming 84 F. Supp. 233, 237.

Wisconsin Electric Co. v. *Dumore Co.,* 35 F. (2d) 555, 557 (C. C. A. 6, 1929).

Hanson, et al. v. *Triangle Publications, Inc.,* 163 F. (2d) 74, 78 (C. C. A. 8, 1947).

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(11) See also the text by Dr. Derenberg, "Trade-Mark Protection and Unfair Trading" (1936), page 441.

The Supreme Court of California:

Banzhaf, et al. v. *Chase,* 150 Cal. 180, 182, 88 P. 704, 705 (1907).

The Modesto Creamery v. *Stanislaus Creamery Co., et al.,* 168 Cal. 289, 142 P. 845 (1914).

Eastern Columbia, Inc. v. *Waldman,* 30 Cal. (2d) 269, 270, 181 P. (2d) 865 (1947).

The Court of Appeals of the Ninth Circuit:

Safeway Stores, Inc. v. *Dunnell,* 172 F. (2d) 649, 654 (1949).

Lane Bryant, Inc. v. *Maternity Lane,* 173 F. (2d) 559, 563 (1949).

3. As to the likelihood of confusion of source, not confusion of goods, as the test for infringement:

The Court below said:

> *"And no purchaser or selector or installer of the light fixture would have a kitchen labor-saving gadget in mind, or if he had, that it would affect his act."* (R. 962.)

This conflicts with the rule of the following decisions that the test for infringement is likelihood of confusion of source rather than that of goods:

The United States Supreme Court:

The point has not yet been specifically decided by this Court.

The Courts of Appeals:

Standard Brands, Inc. v. *Smidler,* 151 F. (2d) 34, 37 (C. C. A. 2, 1945):

"The gist of this action for infringement of the plaintiff's mark, just as in the related cause of action for unfair competition, is confusion not as to the kind of product but as to the source of the product."

Wall v. *Rolls-Royce of America, Inc.,* 4 F. (2d) 333, 334 (C. C. A. 3, 1925):

"It is true those companies made automobiles and aeroplanes, and Wall sold radio tubes, and no one could think, when he bought a radio tube, he was buying an automobile or an aeroplane. But that is not the test and gist of this case."

Radio Shack Corporation v. *Radio Shack, Inc.,* 180 F. (2d) 200, 206 (C. A. 7, 1950).

The Supreme Court of California:

Academy of Motion Picture Arts and Sciences v. *Benson,* 15 Cal. (2d) 685, 691, 692, 104 P. (2d) 650, 653 (1940).

The Court of Appeals of the Ninth Circuit:

Del Monte Special Food Company v. *California Packing Corporation,* 34 F. (2d) 774, 775 (1929).

Stork Restaurant, Inc. v. *Sahati et al.,* 166 F. 2d 348, 356 (1948).

III.

Reversal of the Trial Court's Ultimate Findings.

1. If, from the opinion, the court below can be said to have held that there was no actual confusion nor likelihood of confusion arising from respondent's use of SUNBEAM on electrical goods which are non-competitive with those of plaintiff, then, alternatively, the court must be found to have reversed all of the trial court's ultimate findings as

to actual and likely confusion, and overlooked the abundant evidence upon which they were based (Findings of Fact No.'s 25 through 30; R. 75, 76).

Moreover, the opinion states that respondents never use the word SUNBEAM except "as the name of the firm which name 'Sunbeam Lighting Company, Los Angeles, Cal.' is placed upon the article in full or printed in full on advertising or cataloguing the product" (R. 960, Opinion, p. 972). Yet the trial court found the contrary (Findings of Fact, No.'s 32 and 35; R. 76).

In the trade-mark case of *Lerner Stores Corporation* v. *Lerner*, 162 F. (2d) 160, 162 (1947), the same Court of Appeals held, in accordance with Rule 52(a) of the Federal Rules of Civil Procedure, that:

> "Unless the findings of the trial court are clearly erroneous, we are required to affirm the judgment notwithstanding contrary evidence appears but was not adopted by the trial court."

In *Graver Mfg. Co.* v. *Linde Co.*, 336 U. S. 271 (1949), a patent case, this Court stated at page 275:

> "The rule requires that an appellate court make allowance for the advantages possessed by the trial court in appraising the significance of conflicting testimony and reverse only 'clearly erroneous' findings."

In the very recent patent case of *Hazeltine Research, Inc.* v. *Admiral Corp.*, 183 F. (2d) 953, 954 (1950), the Court of Appeals of the Seventh Circuit quoted from the *Graver* case, discussed the tendency of courts and litigants to treat findings pertaining to infringement of patents as exceptions to the Rule, and commented that the question had been "laid to rest" by the *Graver* decision (p. 955). It would seem that the same rule should apply to ultimate

findings in trade-mark infringement cases, but the action of the court below is to the contrary.[12]

2. Likewise disregarded were the trial court's findings and the evidence as to the respondents' intent to defraud. That the District Court found respondents thus guilty is clear from the language of its opinion (R. 39) and from its Finding of Fact No. 22 (R. 74). Yet the opinion of the Court of Appeals condones what the trial court condemned.

As to the effect of intent to defraud in trade-mark cases, the Court of Appeals of the Second Circuit, speaking through Judge Learned Hand, held that "* * * such an intent raises a presumption that customers will be deceived" (*My-T Fine Corporation* v. *Samuels et al.*, 69 F. (2d) 76, 77 (C. C. A. 2, 1934).)

IV.

Confusion of the Law of Trade-Marks With That of Patents and Copyrights.

The Court below treated this trade-mark case as though it were concerned with copyright or patent monopolies which it refused to countenance because petitioner's mark was not coined. Clear expressions to the contrary appear

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(12) Among the cases holding that the trial court's findings must be respected as to the ultimate issue of likelihood of confusion in a trade-mark case are the following:

J & K Sales Co., Inc. v. *Gemex, Inc.*, 166 F. (2d) 569, 570 (C. C. A. 1, 1948).

Browning King Co. of New York, Inc. v. *Browning King Co.*, 176 F. (2d) 105, 107, 108 (C. A. 3, 1949).

Triangle Publications, Inc. v. *Rohrlich et al.*, 167 F. (2d) 969, 972, (C. C. A. 2, 1948).

Radio Shack Corporation v. *Radio Shack, Inc.*, 180 F. (2d) 200, 206 (C. A. 7, 1950).

Hanson, et al. v. *Triangle Publications, Inc.*, 163 F. (2d) 74 (C. C. A. 8, 1947).

in *United Drug Co.* v. *Rectanus Co.*, 248 U. S. 90, 97 (1918); *McLean* v. *Fleming*, 96 U. S. 245, 254 (1877); *General Baking Co.* v. *Gorman*, 3 F. (2d) 891, 893 (C. C. A. 1, 1925).

Implicit in the opinion is the granting of a monopoly for the mere invention of new and unique trade-marks, while, conversely, denying what the Court below wrongly conceives to be the monopoly which would be granted in common words were secondary meaning marks to be protected against confusing use. In other words, it impliedly approves (contrary to the patent and copyright law) the "patenting" or "copyrighting" of new combinations of letters in that, despite confusion, it refuses such a "patent" where "prior art" may have been shown. Its language reveals unwarranted fear that a granting of relief would remove from public domain words which are in common use. Such an approach to a trade-mark case is fundamentally unsound.

Protecting any trade-mark within the limits of likelihood of confusion enjoins identification use only. It does not inhibit the use of words in their language signification. The only monopoly granted is in individual identity. The secondary meaning, or identification of source, aspects of a common word trade-mark are not a part of the public domain. That which is not within the public domain cannot be removed from it. The public interest and property in the word "sunbeam" lies in its primary, not its secondary meaning. "Others may use the common word in its common meaning, but they cannot use it in the particular meaning created by the complainant." *Hanover Star Milling Co.* v. *Allen & Wheeler Co.*, 208 F. 513, 517 (C. C. A. 7, 1913). Trade-mark or trade-name usage, *i. e.*, identifying usage, is one thing—free language usage is another. Respondents use "sunbeam" to identify—not to describe (illustrations, *supra*, p. 5). The right to prevent a likely invasion of one's individual identity is a protect-

able right, the preservation of which is also in the public interest.

Conclusion.

For the foregoing reasons this petition for a writ of certiorari should be granted.

Respectfully submitted,

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December 1st, 1950.

APPENDIX A.

IN THE UNITED STATES COURT OF APPEALS

FOR THE SECOND CIRCUIT.

No. 103.

S. C. JOHNSON & SON, INC.,

Appellant,

vs.

JOHN W. JOHNSON, RUPERT H. JOHNSON, ET AL.,

Appellees.

June 2, 1949.

CLARK, *Circuit Judge* (dissenting):

In its affirmance of the summary dismissal of the plaintiff's application the court has taken a long step in the interpretation and limitation of the new Lanham Trade Mark Act; in effect it has cut this Act so extensively heralded by sponsoring groups down to a size consistent with the court's conceptions of public policy. While I regard these conceptions highly, I am troubled by the fact that the Act is rather clearly the expression of contrary views vigorously held by persons and groups who were able to exercise a persuasive influence in the halls of Congress during its long period of germination. That other interests, those of consumers, for example, may have been more imperfectly represented there does not seem to me to lessen our problem, for we must take the legislative

process as we find it, not as we wish it might be. The question seems to me, therefore, a vastly important one as to the relations of court and legislature; and I am indeed sorry that it is left with only a statement of the court's policy views as full justification for the narrowing interpretation. For some time I have been urging my colleagues to a consideration of the impact of the new legislation;[1] but I must confess now to a feeling of frustration that discussion, when had, is thus limited.

It may be that when a court feels a responsibility to curtail the possible scope of undesirable legislation, the best thing it can do is to rest its case straightforwardly on policy grounds without getting involved in the views expressed by the legislative proponents. Even if we concede as much, I still think it extremely desirable to await the full telling of the story, rather than to bar the way summarily at the beginning.[2] As it stands, it must be assumed that the new legislation affords no relief, though all the allegations of the plaintiff be accepted in full.[3] This is a pretty extensive position and may well be unnecessary; a hearing of the facts might show that the plaintiff had a somewhat exag-

1. As in *Best & Co.* v. *Miller*, 2 Cir., 167 F. 2d 374, 378, and see also *California Apparel Creators* v. *Wieder of California*, 2 Cir., 162 F. 2d 893, 900, 901, 174 A. L. R. 481, certiorari denied 332 U. S. 816, 68 S. Ct. 156, 92 L. Ed. 393, and *LaTouraine Coffee Co.* v. *Lorraine Coffee Co.*, 2 Cir., 157 F. 2d 115, 118, 119, certiorari denied. *Lorraine Coffee Co.* v. *LaTouraine*, 329 U. S. 771, 67 S. Ct. 189, 91 L. Ed. 663.

2. See L. Hand, *J.*, dissenting in *California Apparel Creators* v. *Wieder of California, supra.* The fact that I think this is an inappropriate case for a summary judgment does not, however, signify disapproval of the salutary principle of the rule itself, F. R. 56—as distinguished from some of the restrictive judicial glosses put upon it. See my article in 15 Brooklyn L. Rev. 1, 9, also 48 Col. L. Rev. 780; 45 Col. L. Rev. 964; 61 Harv. L. Rev. 375; 55 Yale L. J. 810; 34 A. B. A. J. 187.

3. Thus plaintiff desired to introduce evidence of an extensive survey showing the widespread acceptance by housewives of plaintiff as the producer of defendants' product, notwithstanding the operation of the injunction previously entered herein.

gerated view of its own grievances. And if they are true as stated, it still is not clear but that some additional remedies, perhaps not as much as are asked for, might be devised which would make a better adjustment of the troublesome situation between these parties.[4] Whatever may be the law, we cannot be very happy at a decree which, on the plaintiff's allegations, has proven completely stultifying in that it takes away with one breath what it appears to grant by way of relief on another. Summary disposition of the case is a repudiation of any attempt to find a real workable remedy for an adjudicated wrong.[5]

Since I am in very real doubt as to how strict should be the interpretation of the new Act, I shall not try here to advance a definitive interpretation in contrast with that stated in the opinion, but only to suggest the questions which arise in my mind. As is pointed out, the Lanham Act certainly made extensive and far-reaching changes in the law of trade-marks as a whole, some of which are cited. In this particular connection it substituted for the definitely restrictive language of the older Act limiting infringing sales to those of goods which were "substantially of the same descriptive properties as those set forth in such regis-

4. The defendants' label, which is here fully approved, does appear to be quite similar to the plaintiff's; it would not seem out of the way now to order changes which would tend to compel dissimilarity. Among points which might be considered are the similar yellow background (not directly touched upon in the injunction), the emphasis here permitted the defendants to emphasize a company, "Johnson Products Company," as is the plaintiff, rather than a collection of individuals, as are the defendants, and the substantial nonreadability of the location, "Buffalo, N. Y.," by reason of its position in the oval lettering on the right side reading from the bottom up on the label.

5. Thus, in accepting the finding below of confusion among the plaintiff's customers caused by the defendant's use of the name we said: "We should have so found ourselves; and indeed the testimony leaves no doubt that, while he did not actively instigate his employees to mislead customers, the defendant instructed them not to undeceive any who were already misled and to take advantage of their confusion." 116 F. 2d 427, 429.

tration" a broad recovery for a use "likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods or services." 15 U. S. C. A. Section 1114(1). These broadening provisions, twice stated in this subsection, seem quite consistently carried out through the Act.[6] Having in mind the well-known intent of the sponsors to broaden trade-mark protection, they would seem to point strongly to a definite plan to grant recovery wherever a mark is "intended to be used to cause confusion or mistake or to deceive purchasers," to quote the concluding words of the subsection. In fact, it appears to be substantially conceded that the literal reading is that way; but it is held that this reading must be rejected for two reasons. The first, which is little stressed, is not overclear to me; it seems to be that just as the 1905 Act was designed to bring the law up to that date, so this 1946 Act is designed to bring the law up to the 1946 date. But unfortunately there does not appear to be a quite clear law of 1946, as I fear those who have struggled with our decisions such as *Triangle Publications* v. *Rohrlich*, 2 Cir., 167 F. 2d 969, compared with *Best & Co.* v. *Miller*, 2 Cir., 167 F. 2d 374, certiorari denied 335 U. S. 818, 69 S. Ct. 39, will understand. Moreover, this assumes what is set out to be proven and what is contrary to the professed desire of the protagonists, namely, that the Act was intended only as declaratory of existing law. The argument which is really stressed, however—"the strongest possible reason for not

6. Thus, see, *inter alia*, the provisions as to registerable trademarks, 15 U. S. C. A. Section 1052(d) (denying registration to a mark so resembling a registered mark "as to be likely, when applied to the goods of the applicant, to cause confusion or mistake or to deceive purchasers"—a provision which needs to be read in its entirety for its full impact); Section 1064(c) (cancellation of registration); Section 1066 (interference); Section 1115(b) (the defense of invalidity of the mark); the intent of the Act stated in Section 1127; and the broad action for false description or representation of goods generally given in Section 1125(a), referred to in *California Apparel Creators* v. *Wieder of California*, *supra*, 2 Cir., 162 F. 2d 893, at pp. 900, 901, footnote 12.

reading the language literally"—is the argument of policy already forecast in certain previously existing authorities.[7]

Even though the policy stated, the hardship to others and the unjustified power given the first user of a mark to preempt new markets, is compelling, yet there are countervailing arguments which have appealed to many. This is not a monopoly of a natural product or of an invention, but of a name or mark built up by judicious advertising. The question is insistently asked why in that case it is necessary to permit another to reap the rewards of the diligence and money expended by the original exploiter. Here, for example, it is urged, and any devotee of the radio knows, that one of the most famous and presumably one of the most expensive of the popular evening radio hours has for years advertised the plaintiff's products. Yoder, *The McGees of Wistful Vista,* 222 Sat. Eve. Post No. 41, pp. 26, 86, 87, Apr. 9, 1949. One can have little

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7. It should be noted, however, that there is strong authority for what is called the "federal" rule or is "popularly known as the Hand Doctrine" from its original impulse in the Second Circuit, cf. *Lunsford,* op. cit. *infra,* 35 Va. L. Rev. 214, 217, that relief will be granted as between noncompeting goods if there is confusion as to the source. Thus see, *e. g., Standard Brands* v. *Smidler,* 2 Cir., 151 F. 2d 34, the analysis by Judge Yankwich in *Sunbeam Corp.* v. *Sunbeam Lighting Co.,* D. C. S. D. Cal., 83 F. Supp. 429, of Ninth Circuit cases, including *Stork Restaurant* v. *Sahati,* 9 Cir., 166 F. 2d 348, the effect given by Judge Wyzanski to the new Massachusetts statute, Stat. 1947, c. 307, in *Food Fair Stores* v. *Food Fair,* D. C. Mass., 83 F. Supp. 445, and the extensive collection of cases in the annotation to *Lady Esther, Ltd.* v. *Lady Esther Corset Shoppe,* 317 Ill. App. 451, 46 N. E. 2d 165, 148 A. L. R. 6, at pages 12, 36-39, 48, 53-92. And this appears to be the view of a great many commentators; thus, in addition to the articles hereinafter cited, see the authoritative statement in 3 Restatement, Torts, Sections 730, 731, 1938. Some commentators speak specifically of the Act as a codification of this rule of law. 2 Wyo. L. Rev. 66; 26 N. C. L. Rev. 424. For the view that the recent trend of cases (prior to the Act) has been to restrict the doctrine, see Zlinkoff, Monopoly Versus Competition: Significant Trends in Patent, Anti-Trust, Trade-Mark, and Unfair Competition Suits, 53 Yale L. J. 514, 538-541, and Brown, op. cit., *infra,* 57 Yale L. J. 1165, at 1193. So which view, if either, does the new Act codify?

doubt that, as the plaintiff offers to prove, the original defendant, who has already associated with himself four others, one a Johnson, the three others non-Johnsons, is reaping the benefit of the plaintiff's advertising of its own products. The literature heralding and explaining the new Act—coming, it must be conceded, mainly from those favoring the legislation—is already vast and has gone over into nonlegal publications.[8] Criticism of restrictive interpretation of the statute has also begun. Thus the well-known case of *California Fruit Growers Exchange* v. *Sunkist Baking Co.*, 7 Cir., 166 F. 2d 971, requiring a showing of competitive practices, has been the subject of extensive criticism.[9] Lunsford, *Trade Mark Infringement and Confusion of Source: Need for Supreme Court Action,* 35 Va. L. Rev. 214; Callmann, 38 Trade Mark Rep. 304, 308; Note, 48 Col. L. Rev. 648; and see also Callmann, *False Advertising As A Competitive Tort,* 48 Col. L. Rev. 876;

8. I have cited some of these references in the cases in note 1, *supra.* See also the discussion in the February, 1949, issue of Fortune, vol. 39, p. 147. Thus Miss Daphne Robert, author of The New Trade-Mark Manual, stresses the change in wording from the former Act which is here so important and goes on to say flatly of the new Act: "The goods or services need not be identical or even remotely related. If it is shown that purchasers are likely to be misled by the mark into thinking that the same concern is selling, offering for sale or advertising the goods or services of both parties, relief will be granted." Commentary on The Lanham Trade-Mark Act, 15 U. S. C. A. p. 265, at 286 compare Brown, Book Review, 58 Yale L. J. 511, 512. This is the view she takes in her Manual, pp. 162, 163, and is of course not unusual among trademark lawyers, *e. g.,* Callmann, The "Sunkist" Decision: Trade Marks at the Crossroads, 38 Trade Mark Rep. 304, 308; also references in note 7, *supra,* and in the text, *infra.*

9. But the court there said "the words 'the same general class of merchandise' and 'goods of substantially the same descriptive properties' are facts essential to infringement under the 1905 Act, and not under the Lanham Act." Its actual decision is thus explained: "In any view of this case, the record is wholly devoid of any finding, or substantial evidence to support a finding, of a likelihood of confusion as to the source of origin, as required to constitute infringement under the Lanham Act." 166 F. 2d 971, 973, 975. Hence it is not in point as to the present case in view of the clear finding *supra* note 5.

17 Geo. Wash. L. Rev. 112; 29 B. U. L. Rev. 137; 26 N. C. L. Rev. 424; and 22 Temp. L. Q. 301 as to other decisions. Of course in this field we touch at once issues of the most highly controversial nature. Thus a different philosophy (though without discussion of the effect of the new Act) is ably presented in Brown, *Advertising and the Public Interest: Legal Protection of Trade Symbols,* 57 Yale L. J. 1165; and see also Zlinkoff, *supra* note 7. I cite these authorities not to express agreement now with any of them, but rather to lend point to my belief that sooner or later we shall have to accord a more full-dressed hearing to proponents of this legislation than we have yet been willing to do.

I must also express a word of concern about a point of practice, suggested somewhat indirectly in the opinion, that there may be some need of permission from this court for the filing of the new application by the plaintiff. Under the clear-cut provisions of the Federal Rules there seems to me such a complete absence of place for any such restriction that I regret the judicial doubt thus imported into an otherwise clear situation. Perhaps question has arisen because permission was sought below under Federal Rules of Civil Procedure, rule 15(d), 28 U. S. C. A., and this seemed like seeking to amend a pleading in a case in the appellate court; though even here the functions of the appellate court seem properly limited to the judicial review of the judgment itself. See *Market* v. *Swift & Co.,* 2 Cir., 173 F. 2d 517. But since the case is in judgment, the obvious and necessary course is under F. R. 60(b), which in its presently amended form gives a complete scheme for relief. *Klapprott* v. *United States,* 335 U. S. 601, 69 S. Ct. 384. Not only does this not call for appellate permission when a case has been affirmed on appeal, but it is obvious that such permission is an unnecessary and undesirable clog on the proceedings. An appellate court

cannot act understandingly under F. R. 60(b) without the necessary record which the proceedings in the trial court must supply.[10] To expect it to grant or withhold permission in advance is a futility and an obstruction. The rules themselves quite carefully show when, if ever, appellate permission is to be sought. See F. R. 60(a) as amended, and compare also amended F. R. 73(a) and 75(h).

I would reverse and remand for a hearing of the parties' evidence.

10. Note also the precise provisions of F. R. 60(b) that a motion thereunder "does not affect the finality of a judgment or suspend its operation," thus rounding out the special and separate character of the proceeding, as therein fully described.

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The specification of errors urged in the petition is predicated upon the erroneous proposition that the Court of Appeals was without right to reject findings of the Trial Court which it found, after full consideration of the evidence, to be clearly erroneous.

In reversing the judgment of the Trial Court, the Court of Appeals followed the long-settled rule that, in the law of trade-marks and unfair competition, the scope of monopoly accorded to a trade-mark depends upon the nature of the mark in issue. A purely fanciful and exclusive, or "strong," mark is entitled to a liberal monopoly; but a "weak" mark—one which is not fanciful and is commonly used by many because of its descriptive or suggestive meaning—may not be monopolized by any one user beyond such user's immediate business. Finding "Sunbeam" to be a weak mark, the Court of Appeals held that it was error for the Trial Court to restrain respondents from using it as their trade-name, "Sunbeam Lighting Company," in a field which petitioner has never entered and for goods which are not at all competitive with petitioner's goods.

Statement of Case.

Inasmuch as petitioner's "statement of case" omits mention of controlling facts upon which the decision of the Court of Appeals turned, respondents deem it necessary to add the following, which shows the facts to which the Court applied the law:

Petitioner adopted and registered "Sunbeam" as a trade-mark for electric flatirons in 1921, *at a time when the mark was in use, and had been registered, by other concerns* for such electrical goods as electric lamps [R. 595, Ex. A-1], electric headlights [R. 598, Ex. A-3], generator driven lighting units [R. 597, Ex. A-2], batteries [R. 876, Ex. N], furnaces [R. 599, Ex. A-4], and heaters [R. 600, Ex. A-5]. The "Sunbeam Division" of General Electric Company has used the mark extensively for electric lights [R. 414]. Trade registers and telephone directories of most cities list numerous "Sunbeam" companies [R. 182, 604]. "Sunbeam," and similar marks such as "Sunlight," "Sunshine" and "Sunlite," have been registered as trade-marks in the United States Patent Office over 2,000 times [R. 929]. Since 1921, petitioner has used the mark on other electrical household utensils. such as toasters, coffee makers and food mixers, and has registered the mark for those additional household utensils, *but has never used the mark upon any electric lighting equipment.* Petitioner displays the mark in a particular script, as shown by its registrations, and in use, accompanies it with another word, such as "Mixmaster," "Stewart," "Coffeemaster," or "Ironmaster," of which the following is an example:

Sunbeam MIXMASTER

The usual buyer of petitioner's products is the housewife, who simply visits a store, buys the selected gadget, and takes it home.

Respondents adopted "Sunbeam Lighting Company" as their firm or trade-name in 1944 [R. 365]. Over 99-9/10ths per cent of respondents' business consists of the manufacture and sale of commercial and industrial fluorescent lighting fixtures, which are sold to industrial concerns upon the recommendations of engineers made after rigid performance tests [R. 387, 425]. Less than one-tenth of one per cent of respondents' business consists of the manufacture and sale of fluorescent desk lamps, sold to augment larger commercial and industrial fluorescent fixture installations [R. 374]. Contrary to petitioner's statement, respondents do not make or sell "bed lamps."[1]

Respondents do not use the name "Sunbeam" alone, or as a "trade-mark,"[2] but use their entire firm name and address upon every label, displayed in bold block type, as follows:

SUNBEAM
LIGHTING COMPANY

---

[1]Respondents once sold some bed lamps, but discontinued the item long before this action was filed [R. 507].

[2]The illustration of the word "Sunbeam" appearing at page 4 of the petition is not a label—it is taken from a page of one of respondents' catalogues upon every page of which catalogue respondents' full firm name and address appears [R. 821]. The illustration at the lower portion of page 5 of the petition is only part of a label, the remainder of which displays respondents' full firm name [Ex. 66, R. 945].

"Sunbeam" is descriptive of light, and has long been commonly used as a trade-mark or trade-name in the electrical field because of its highly suggestive meaning.

The Court of Appeals rejected the Trial Court's finding [No. 22, R. 74] to the effect that respondents adopted their trade-name with a fraudulent motive, for the reason that there was absolutely no evidence to support it. A fraudulent motive cannot be imputed to one who selects a name because of its descriptive or suggestive meaning.

In fact, when respondents adopted their trade-name, in 1944, petitioner's name was "Chicago Flexible Shaft Company." Not until two years after respondents adopted the name "Sunbeam Lighting Company" did petitioner change its corporate name to "Sunbeam Corporation" [R. 154].

Petitioner's attempt to establish "confusion" consisted of producing the testimony of housewives, canvassers who allegedly interviewed housewives, and some salesmen of petitioner's household utensils, *none of whom would ever be likely to be in the market as a buyer of respondents' commercial and industrial fluorescent lighting fixtures.* Petitioner's attempt to prove "secondary meaning" consisted of the testimony of the same witnesses, not one of whom was competent to testify as to the meaning of the word "Sunbeam" among those in the market for respondents' goods. On the other hand, respondents produced numerous witnesses from that branch of the electrical field to which their business is confined, and all testified that, to them, "Sunbeam" meant the respondents and their

fixtures [R. 395-442, 464-492]. This evidence is not contradicted.

While petitioner has registered "Sunbeam," displayed in a particular script, as a trade-mark for certain household utensils, it has not, and obviously could not have, registered it for electric lighting equipment, for the very good reasons that others had previously registered it for those goods.

Question Presented.

The "question presented," as stated in the petition, is inaccurate and misleading. It fails to mention the undisputed facts which show the extremely weak nature of the trade-mark in issue, and assumes that actual and probable confusion have been established as facts, which is not the case. It also fails to mention that petitioner's and respondents' goods are unrelated, and are sold to different classes of customers, by different sales methods, and fails to mention that the parties are not in competition with each other. *Thus, the very things which are omitted or mis-stated, are the very elements upon which the decision of the Court of Appeals turned.*

ARGUMENT.

(1) This Case Does Not Involve Any Element of the Law of Trade-Marks and Unfair Competition Which Has Not Been Passed Upon by This Court.

Contrary to petitioner's argument, this case does not involve the question of whether the proper test in determining the presence or absence of trade-mark infringement is the "goods of the same descriptive properties" rule of the 1905 Trade Mark Act, or the "confusion of origin" rule of the Trade Mark Act of 1946, 15 U. S. C. 1114. Rather, it involves the scope of a trade-mark monopoly, depending upon whether it is a strong or weak mark. That was decided by this Court in:

American Steel Foundries v. Robertson, 269 U. S. 372, 70 L. Ed. 317,

in which case this Court said:

> "The word (Simplex) involved in this case is one of a large class of words which have for a great many years been much used because of their peculiarly suggestive meaning. For other examples there are the words 'Acme,' 'Anchor,' 'Champion,' 'Eureka,' 'Excelsior,' 'Ideal,' 'Jewel,' 'Liberty,' 'National,' 'Pride,' 'Premier,' 'Queen,' 'Royal,' 'Star,' 'Sunlight,' 'Triumph,' 'Victor.' It would be a serious matter if the law actually permitted any one who chose to do so to organize a series of corporations with names containing these words, respectively, and thereupon virtually withdraw these words from public use as trade-marks and monopolize them by preventing their registry as such."

This rule has been uniformly followed by the United States Courts of Appeal.

Dwinell-Wright Co. v. National Fruit Product Co. (1st Cir.), 140 F. 2d 618;

Eastern Wine Corp. v. Winslow-Warren, Ltd., Inc. (2nd Cir.), 137 F. 2d 955, 959;

Arrow Distilleries, Inc. v. Globe Brewing Co. (4th Cir.), 117 F. 2d 347;

Majestic Mfg. Co. v. Majestic Electric Appliance Co., Inc. (6th Cir.), 172 F. 2d 862;

Philco Corp. v. F. & B. Mfg. Co. (7th Cir.), 170 F. 2d 958;

Traeger v. Gordon-Allen, Ltd. (9th Cir.), 71 F. 2d 766;

Schneider Brewing Co. v. Century Distilling Co. (10th Cir.), 107 F. 2d 699.

In the most recent of those cases, *Majestic Mfg. Co. v. Majestic Electrical Appliance Co.,* 170 F. 2d 862, the Court said:

> "Thus it will be seen that there is no specific competition between the parties, and we agree with the court below that the trade-mark is not original, arbitrary or fanciful and so a 'strong mark' . . . but rather that it calls for the application of the principle that where trade-marks are merely suggestive or descriptive they are weak marks affording protection to the owners only in the narrow and restricted field in which they have been applied. *American Steel Foundries v. Robertson,* 269 U. S. 372, 46 S. Ct. 160, 70 L. Ed. 317."

This is also the rule followed by the Courts of California.

American Automobile Assn. v. American Automobile Owners Assn., 216 Cal. 125;

Choynski v. Cohen, 39 Cal. 125;

Dunston v. L. A. Van & Storage Co., 165 Cal. 89.

(2) Petitioner's Argument Is Based Upon the Erroneous Premise That, Since the Trial Court Found Confusion and "Secondary Meaning," the Court of Appeals Committed Error in Rejecting Those Findings.

It is proper for an Appellate Court to reject findings of a Trial Court if, after reviewing the entire evidence, it finds them to be clearly erroneous.

> *United States v. United States Gypsum Co.*, 333 U. S. 364, 92 L. Ed. 746.

To determine whether or not actual or probable confusion exists, it is necessary to inquire among those normally in the market as purchasers of the alleged infringer's product. It is not at all probative, as petitioner has done, to inquire as to the impressions of those who are not the kind of people who purchase the alleged infringer's goods. As aptly stated by the Court in *Dwinell-Wright Co. v. National Fruit Product Co.*, 140 F. 2d 618, the proper test is:

> "Whether the goods of the alleged infringer would be supposed, *by the kind of people who purchase them*, to emanate from the same source as the goods of the complainant."

Likewise, to establish whether or not the trade-mark in issue has a "secondary meaning" in the minds of those to whom an alleged infringer sells his goods, it is necessary to inquire among those persons.

In this case, petitioner avoided calling witnesses from among those with whom the respondents deal. Conse-

quently, the Court of Appeals correctly rejected those findings of the Trial Court, observing in its opinion:

> ". . . the case is not solved by the simple finding as to whether defendants' use of the word 'Sunbeam' results 'in confusion and likelihood of confusion.' The answer to that question is material but circumstances not included in the framed statement must be taken into consideration."

Those "circumstances" were the fact that petitioner's inquiry had not been directed to people who were competent to give the impressions of the kind of people who purchase respondents' goods.

The Court of Appeals did hold that, as to respondents' fluorescent desk lamp (constituting less than one-tenth of one per cent of respondents' business), there might be some possibility of confusion, if those lamps should find their way into the household gadget departments of stores, and therefore the Court of Appeals did not reverse that portion of the judgment. That portion of the judgment is not involved here.

(3) Petitioner Has Failed to Cite Any Authority With Which the Decision Here Involved Is in Conflict.

The two decisions of this Court cited by petitioner: *Thaddeus Davids Co. v. Davids Mfg. Co.*, 233 U. S. 461, and *McLean v. Fleming*, 98 U. S. 245, are in accord, rather than in conflict, with the instant decision, insofar as they are analogous at all. Both cases affirm the rule that, where a complainant's mark is a weak one, a defendant who uses due precaution to show that his goods originate with him rather than with complainant, should

not be restrained. This rule is also confirmed by this Court in:

Kellogg Co. v. National Biscuit Co., 305 U. S. 111, 83 L. Ed. 73.

The remaining cases, cited at pages 14-18 of petitioner's brief, were cases in which either a fanciful mark was involved, or "secondary meaning" had been properly established by inquiry among those in the market as buyers of the defendants' goods, and cases in which the parties were engaged in the same kind of business and were selling the same goods in competition with each other, neither of which elements is present in this case. The dissenting opinion of Judge Clark in *S. C. Johnson & Son, Inc. v. Johnson Products Company*, referred to in the petition, is not the decision of the Court.

(4) This Court Recently Denied a Petition for Writ of Certiorari Urging the Same Question as Here Presented by Petitioner.

In the case of *Philco Corp. v. F. & B. Mfg. Co.* (7th Cir.), 170 F. 2d 958, the plaintiff petitioned this Court for a writ of certiorari and urged substantially the same question and arguments as the petitioner has here presented. This Court denied the petition on April 4, 1949.

336 U. S. 945, 93 L. Ed. 1102.

Conclusion.

Respondents respectfully submit, therefore, that the petition should be denied.

Respectfully submitted,

COLLINS MASON,
Attorney for Respondents.

FILED
JAN 6 1951
CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1950.

No. 428

SUNBEAM CORPORATION,

Petitioner,

vs.

SUNBEAM LIGHTING CO., A CO-PARTNERSHIP CONSISTING OF MARCUS BODIAN, HERBERT L. KRIEGER AND PHIL R. FRIEDMAN,

Respondents.

PETITIONER'S REPLY TO RESPONDENTS' BRIEF OPPOSING PETITION FOR A WRIT OF CERTIORARI.

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To the Honorable, the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Certain statements and misstatements in Respondents' Brief Opposing Petition for Writ of Certiorari necessitate the following reply:

1. Respondents' Statement That the Illustration at the Bottom of Page Five of the Petition is Not a Complete Label of the Respondents is False.

Respondents state, at page 4, that they do not use the name SUNBEAM alone, or as a trade mark. The contrary is demonstrated by Petitioner's Exhibit No. 42, reproduced at the bottom of page 5 of its Petition. Respondents state,

however, that this exhibit is only part of a label, the remainder of which is respondents' Exhibit GG (R. 945). The falsity of this statement is revealed by the testimony of respondent Friedman, who identified (R. 462) this "remainder" as a shipping or address label, separately attached to respondents' carton. It was not shown that the two labels often, or ever, appear on the same side of the carton so as to be visible at the same time. Moreover, a cursory glance at the label (R. 945), which respondents claim is the remaining part of the label reproduced at the bottom of page 5 by petitioner, suffices to establish that it is neither a "remainder" nor any other part of that label, but is, instead, separate and complete in itself.

2. Respondents' Statement That Petitioner Has Not Proved Confusion in Respondents' Own Market is False.

Respondents repeatedly state that none of petitioner's witnesses would ever be likely to be in the market for respondents' goods (pp. 5, 9, 10). The statement ignores the clear testimony of the witnesses George Hatton, a restaurateur (R. 351-352), and Mack B. Jones, an electrical lighting contractor (R. 197-199), *that they bought respondents' fixtures because they believed they came from petitioner.* As to others of petitioner's witnesses, who were confused, it is not necessary that they be directly within respondents' market. It is enough that, like petitioner's witnesses Myrabelle Sherman (R. 316), Robert G. Wesley (R. 319-320) and Catherine Larson (R. 312), they be in *petitioner's* market, and also have encountered, used or serviced respondents' fixtures, believing that they originated with petitioner.

3. The Respondents' Statement That the Court of Appeals Did Not Reverse the Judgment as to Small Lamps is False.

Respondents contend (p. 10) that the Court of Appeals did not reverse that portion of the District Court's judgment which enjoined the manufacture and sale of small lamps bearing the trade-mark SUNBEAM, and that such portion of the judgment is not involved herein. The contrary, however, is clear from the final amended Judgment of the Court of Appeals (R. 967).

Petitioner prays, therefore, that a writ of certiorari issue to the Court of Appeals of the Ninth Circuit to review its reversal of the trial court's judgment as to respondents' usage of SUNBEAM, not only in connection with its fluorescent lighting installations, but also in connection with small, portable lamps.

Respectfully submitted,

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